

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7066**

**BILL NUMBER:** SB 358

**NOTE PREPARED:** Jan 4, 2004

**BILL AMENDED:**

**SUBJECT:** Alcohol and Drug Abuse Counselor Licensing.

**FIRST AUTHOR:** Sen. Miller

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill reconstitutes an existing regulatory board as the Social Worker, Marriage and Family Therapist, Mental Health Counselor, and Alcohol and Drug Abuse Counselor Board. It creates an Alcohol and Drug Abuse Counselor Section of the Board. It establishes permanent qualifications and grandfathering qualifications for licensed alcohol and drug abuse counselors and licensed clinical alcohol and drug abuse counselors. The bill exempts certain professions from the penalties for practicing alcohol and drug abuse counseling without a license. It prohibits the use of certain titles by unlicensed persons. It makes the unlicensed practice of alcohol and drug abuse counseling a Class A misdemeanor. The bill also prohibits alcohol and drug abuse counselors from practicing hypnosis unless certified and from counseling for the purpose of recovering a memory. It makes conforming amendments.

**Effective Date:** July 1, 2004.

**Explanation of State Expenditures:** *Licensing* - The bill provides for the licensure of alcohol and drug abuse counselors under the Social Worker, Marriage and Family Therapist, and Mental Health Counselor Board (Board). It creates licenses for: clinical alcohol and drug abuse counselors, supervised clinical alcohol and drug abuse counselors, alcohol and drug abuse counselors, and supervised alcohol and drug abuse counselors.

The Health Professions Bureau (HPB) provides staff support for the health professions boards and will administer the new licenses. On average for the past two biennia, biennial revenue from licensure and other fees such as internships, duplicate licenses, and examinations was approximately \$8.3 M, while the boards' and committees' direct and indirect expenditures were approximately \$3.6 M. Depending on revenue balances from licenses issued by all of HPB's boards, HPB could potentially absorb a portion of the

operating expenses not covered by the board's licensing revenue.

*Board* - One provision of this bill adds Alcohol and Drug Abuse Counselor to the Board's name, which may cause the Health Professions Bureau to incur costs associated with reprinting forms to include the new name. Another provision adds two new members to the Board who are licensed alcohol and drug abuse counselors. The cost of adding two new members is dependent on the locations from which the members travel. Members of the Board are reimbursed at \$0.28 per mile.

The bill requires the Board to establish standards for alcohol and drug abuse counselors. It also requires the Board to establish fees for licensure. Currently, the Board meets monthly, however if an additional meeting is required because of this bill, the additional cost would be approximately \$610 to \$780 per meeting (depending on the number of members at the time).

**Explanation of State Revenues: Licensing** - The bill does not require a license to be obtained in order to practice alcohol and drug abuse counseling before 2006. However, a clinical alcohol and drug abuse counselor license may be obtained before 2006, under differing requirements than will be required after 2006.

Data acquired from the Indiana Counselors Association on Alcohol and Drug Abuse (ICAADA) indicates that approximately 1,100 alcohol and drug abuse counselors are currently credentialed by ICAADA. The amount of revenue potentially generated from issuing a new license is dependent on the number of counselor applicants. All revenue collected from fees from the licensure of alcohol and drug counselors would be collected and accounted for by the HPB and deposited in the state General Fund.

*Penalty Provision* - Anyone who professes to be an alcohol and drug abuse counselor, when not licensed to do so by the state, commits a Class A misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class A misdemeanor is \$5,000. Criminal fines are deposited in the Common School Fund.

If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund.

**Explanation of Local Expenditures: Penalty Provision** - A Class A misdemeanor is punishable by up to one year in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

**Explanation of Local Revenues: Penalty Provision** - If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

**State Agencies Affected:** Health Professions Bureau, Social Worker, Marriage and Family Therapist, and Mental Health Counselor Board.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** Lynne Calaway, Indiana Counselors Association on Alcohol and Drug Abuse (ICAADA) (317) 923-8800.

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